

Warrington Township Pension Committee

Minutes for February 5, 2020 Meeting

The regular meeting of the Warrington Township Pension Committee was held at 7:05 pm. February 5, 2020 at the Township Building located at 852 Easton Road, Warrington, PA 18976. The members present were as follows:

Joe Kirby
Barry Luber
Ken Hawthorn

Karen Palmer
Amy Organek
Fred Gaines

Also present: Lee Martin – Marquette Assoc.

1. Call to Order

The meeting was called to order at 7:05pm.

2. Introduction of Mr. Michael Simone to the Pension Committee.

Mr. Kirby made a motion to recommend to the Board of Supervisors Mr. Michael Simone for one of the vacant positions on the Pension Committee. Mr. Luber seconded. The motion passed 6-0.

3. Approval of Minutes

a. November 13, 2019

In a motion by Mr. Luber and seconded by Mr. Kirby, the Warrington Township Pension Committee voted to approve the minutes of November 13, 2019 as corrected. This motion passed with a vote of 6-0.

4. 4th Quarter pension Plan Performance Review

Mr. Martin reviewed the plan and performance.

The Police plan return was 5.6%, just under the 6.6% benchmark for the quarter. It was ranked 26th. The NUPP return was 5.1%, just under the 5.9% benchmark for the quarter. It was ranked 61th.

Positive factors were exposure to international equities, real estate, and defensive equity. Negative exposure factors were high quality equities and treasuries.

The Police plan return was 7.6%, just over the 7.5% benchmark since inception with a \$5.4M gain for the quarter. It was ranked 20th. The NUPP return was 7.7%, just over the 7.6% benchmark with a \$2.0M gain since inception. It was ranked 12th.

5. Old Business

a. Check on Language for Committee makeup, COLA, Amendments to the NUPP
This information is still being compiled and researched from the ordinance books.

b. COLA increase was processed for January 1, 2020 – this was completed and the payments have been made. The NUPP was increased for 2020 and retro payment was made for 2019.

c. Discuss the compliance with Act 600 – We are waiting for the CBA to be completed to have this item resolved in the contract. Tentatively, it should be complete in late February or early March. There is language from the actuary to resolve this in the contract that is waiting for approval.

d. Creation of Binder with reference items – Karen has completed the binder of all information relating to the pensions including plan documents, ordinances, investment & actuary information and reports, minutes and agendas. All information to be added to it from the police files and from Mr. Martin’s office should be forwarded to Karen for incorporation.

e. Updated analysis for MMO – John Vargo has no updates. He will be filling the 2019 reports due in March and can come to a meeting after that to discuss update information. We need an analysis for the potential assumed rate of return change to 7%.with the smoothing. It was discussed that John can provide the information as soon as it is available for Mr. Martin to run the analysis.

7. Action Items

- 1) New analysis from John Vargo with the 5 year smoothing and the 7% and 6.75% ARR for the Police Plan and 6.5 % for the NUPP when the information is available after the Act 205 report is done.
- 2) Research to find the ordinances for the language for the COLA, Committee make up and amendments for the NUPP.

Next Meeting – May 6, 2020

Adjournment – 9:00 pm

Recorder: Amy Organek